

# **EXHIBIT**

## **#1**

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1 THE UNITED STATES DISTRICT COURT

2 IN AND FOR THE DISTRICT OF DELAWARE

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4 HONEYWELL INTERNATIONAL, INC. : CIVIL ACTIONS  
5 et al. :  
6 Plaintiffs, :  
7 v. :  
8 AUDIOVOX COMMUNICATIONS CORP., :  
9 et al. : NO. 04-1337 (KAJ)

9 Defendants. :  
10 -----  
11 HONEYWELL INTERNATIONAL, INC. :  
12 et al. :  
13 Plaintiffs, :  
14 v. :  
15 APPLE COMPUTER, INC., et al., : NO. 04-1338 (KAJ)  
16 Defendants.  
17 - - -  
18 Wilmington, Delaware  
19 Friday, September 9, 2005 at 10:40 a.m.  
20 TELEPHONE CONFERENCE  
21 - - -  
22 BEFORE: HONORABLE KENT A. JORDAN, U.S.D.C.J.  
23 - - -  
24 APPEARANCES:  
25 ASHBY & GEDDES  
BY: STEVEN J. BALICK, ESQ.  
and  
Brian P. Gaffigan  
Registered Merit Reporter

1 through various generations of different models of this  
2 product, somehow there is some difference? Or is there  
3 something else going on that I'm not getting.

4 MR. LUECK: No, I think you have captured it.  
5 We've identified what the products are that have infringed  
6 and we've specified what those types of products are and  
7 we've given them specific model numbers as to ones we've  
8 been able to purchase and tear down, but that doesn't mean  
9 that we know all of the generations of those products that  
10 they have introduced in the past.

11 THE COURT: All right. I'm going to ask the  
12 gentleman who spoke on behalf of Matsushita, the Weil  
13 Gotshal attorney if he will speak up at this point and  
14 answer that point, which is: Hey, we're not just on some  
15 wholesale fishing expedition. We've identified a product  
16 and a product line and we just need to know the different  
17 model numbers in that product line so that we're sure that  
18 we've had a chance to investigate this product thoroughly,  
19 which is what I understand Mr. Lueck to be saying. What is  
20 your response to that?

21 MR. BRAFMAN: Your Honor, this is David Brafman  
22 from Honeywell.

23 I'd just like to add one further point which is  
24 our tear-down rate, on average it's about a 50 percent hit  
25 rate under our belief of infringement across all these

1 products. So it's not a wild fishing expedition as it is  
2 made to sound. It is that we found products, a large  
3 percentage of them do hit and we just don't have access to  
4 the models that change every six months.

5 THE COURT: All right. Mr. -- I'm sorry, I've  
6 forgotten your name, sir.

7 MR. RIZZI: It's Steve Rizzi from Weil Gotshal.

8 THE COURT: Mr. Rizzi, I apologize for not  
9 holding on to that name. Go ahead.

10 MR. RIZZI: That's okay. I think along those  
11 lines, Your Honor, there is room to meet in the middle here  
12 from our perspective and, in fact, one of the cases that  
13 Honeywell cited in its correspondence I believe is  
14 instructive -- the IP Innovation case out of the Northern  
15 District of Illinois -- I think is somewhat similar in the  
16 sense that case involved certain chips that were found  
17 in various models of televisions that were accused of  
18 infringement, the basis for infringement being this specific  
19 chip. And what the plaintiff did originally was identify  
20 specific television models that they believe included the  
21 chip and were infringing. And there, the Court allowed  
22 discovery of other models of televisions that included that  
23 same chip. So discovery in the case were structured  
24 around other future generations or products but only those  
25 products that included the same chip as the specific models

**EXHIBITS # 2 and #3**  
**REDACTED IN THEIR**  
**ENTIRETY**